

**Draft**  
**Group Net Metering Agreement Template**

This Community Net Metering Agreement (“Agreement”) is made and entered into this X<sup>st</sup> day of July, 2011 (“Effective Date”), by and between \_\_\_\_\_ (“Owner”) and the following Group (“Members”):

- AAAAAA Account #
- BBBBBB Account #
- CCCCCC Account #
- DDDDDD Account #

WITNESSETH:

WHEREAS, \_\_\_\_\_, the owner of certain real property in CCCCCCCC county, Vermont, located at \_\_\_\_\_ Vermont and described by satellite photograph in Exhibit A (“Premises”).

WHEREAS, Owner shall install a kW solar photovoltaic system on such Premises.

WHEREAS, Jeff Forward intends to provide renewable energy generation which can be used to offset Member’s utility bills upon the terms and conditions as contained herein;

WHEREAS, Members are X Utility customers have reliably paid, at a minimum, the past six (6) electricity bills on time and in full;

WHEREAS, Members desire to receive utility bill offsets from renewable energy generation on the terms and conditions as contained herein;

WHEREAS, Owner will purchase and install the solar photovoltaic system and operate, maintain and upgrade the same system as necessary.

WHEREAS, Members acknowledge they are not participating in this Agreement for monetary profit and are deciding in good faith to join the Group to offset a portion of their utility bills with solar power without significant excess carryover.

NOW, THEREFORE, for and in consideration of the covenants and obligations contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Members hereto agree as follows.

**Draft**  
**Group Net Metering Agreement Template**

**Terms and Conditions**

Owner intends to build a solar photovoltaic generation facility located on the Premises that has a maximum capacity of approximately \_\_\_\_ kW. Owner will pay the full cost of constructing the system and wish to form a Community Net Metering Group in order to share in the output from the system. Owner will be the designated contact for the utility for the Group. The agreement below lays out the terms and conditions for each member in the Group.

**1) Acquisition of the Photovoltaic System**

After the Group has received a Certificate of Public Good, the Owner shall begin development of the generation facility. The Owner will bear the total cost of the system and its ongoing maintenance. The Owner will be the sole member able to claim any federal and state tax incentives and/or any other cash incentives that are available for renewable energy projects. Members, other than the Owner shall have no liability for either the purchase of the system or its ongoing maintenance or replacement.

**2) Membership**

**a) Adding Members**

Members agree that new members may be added to the Group at the Owner's discretion and after he has provided notice to the Public Service Board, Department of Public Service and the UTILITY. New members must reside in the same utility service territory as the generation facility.

- i) New members may be added to avoid the Group being a net-producer over the course of a year, or to maximize the returns of the production facility.
- ii) The Owner shall not approve a new member unless the potential new member provides him with documentation showing that the potential new member paid his/her electricity bills for each of the previous six (6) months on time and in full.

**b) Removing Members**

- i) *Voluntary/At member's discretion.* Members agree that a Member may exit the Group by giving the Owner 60 days notice.
- ii) *Involuntary/At Owner's discretion.* Members agree that they may be removed for nonpayment of the solar offset within 30 days after the Owner has issued such bill/solar offset. The Owner may issue notice to a non-paying member that the member will be removed from the Group unless that member contacts the Owner and assures payment in-full within five (5) business days. If, after five (5) business days, the Owner has not received payment in full, he may, at his discretion, remove the Member from the Group by notifying the Public Service Board, Department of Public Service, the Utility, and the member in writing that the non-paying member's meter shall be removed from the Group.
- iii) *At Member's Death* In the unlikely event of a Member's death, Members agree that, at the Owner's discretion, a surviving spouse who resides in the net metered residence may be approved as a new member without fulfilling the

## **Draft**

# **Group Net Metering Agreement Template**

potential new member requirements outlined in Section 2(a) of this agreement. If the surviving spouse is admitted into the Group, the Owner shall notify the Public Service Board, the Department of Public Service and the Utility of the previous Member's death and the surviving spouse's assumption of the Membership. If the deceased Member leaves no surviving spouse, the deceased Member's membership shall be deemed terminated at death. The Owner shall also contact and notify the Department of Public Service, the Public Service Board and the Utility of the Member's removal from the Group.

- iv) Members agree that any disputes arising out of this removal will be addressed under the dispute resolution clauses below.
- c) Reallocation of membership percentages**

The Owner may from time to time need to adjust the allocation percentages. This could be necessary in order to make sure any individual Group member does not accumulate more credits than they can offset from their bill in a twelve-month period or because another member is added to the Group. Members agree that the Owner will have the sole authority to determine and adjust the percentage of output from the system that is allocated to each member.

### **3) Payment of Bills and Distribution of Funds**

#### **a) Assignment of Bills**

Each member of the net metering Group will receive a bill monthly from the Utility. The members' bill may show a number of items:

- i) As is normal, the individual electric usage (in kWh) for the account and the associated charges for that consumption as measured through the meter and billed at the rate associated with account.
- ii) During periods when excess power is generated by the net metering Group system, the individual member bills associated with the net metering Group will show a credit for the excess kilowatt hours generated by the net metered system. This credit will appear as a monetized conversion of total excess kilowatt hours generated by the Group, multiplied by the appropriate rate for the Group, then multiplied by the allocation percentage of the individual member (as provided to the Utility by the Owner).

#### **b) Payment of Bills to Utility**

Members shall pay the Utility the net amount due for their account at each billing cycle. This payment shall be made before the due date noted on the bill. For some months the solar output may exceed the amount the member used during the billing period. In this instance, there will be credit that will be applied to the Utility's bill the following month. These credits may accumulate for several months until usage exceeds the solar output. Members will pay any positive amount on their bill that is owed Utility.

#### **c) Member Payment to the Owner**

Members agree to pay the Owner the full value of the solar offset identified on the Utility bill for their portion of the output of the system. The Owner will send a bill to each member of the Group quarterly on the Equinoxes and Solstices that summarizes the solar offset each member received for the period and the amount that is owed to the Owner for the period.

#### **d) Solar Offset Allocation**

## Draft Group Net Metering Agreement Template

The solar photovoltaic generation facility located on the Premises has a maximum capacity of 13.75 kW. Each member will be allocated the following percentage of the solar output from the system:

- AAAAAA A%
- BBBBBBB B%
- CCCCCC C%
- DDDDDD D%

### 4) Dispute Resolution

#### a) Good Faith Negotiations.

If any dispute or controversy arises out of or relates to this Agreement, the Members agree to exercise their best efforts to engage in good faith negotiations to find a solution that serves their respective and mutual interests, including their continuing relationship under this Agreement. Unless otherwise agreed, any party shall have seven (7) calendar days from the receipt of notice of the particular dispute or controversy to begin these negotiations and fourteen (14) calendar days from the notice to complete these negotiations.

#### b) Mediation.

If the negotiations do not take place within the time provided, or if the negotiations fail to conclude with a mutually agreed upon solution, the Members agree to settle the dispute by mediation administered by the Owner under the Commercial Mediation Procedures of the American Arbitration Association. If the Members cannot agree upon a mediator, or if the Owner is a party to the dispute or controversy, each shall select one name from a list of mediators maintained by the Vermont Bar Association; the two selected shall then choose a third person who will serve as mediator. The Members agree that any mediated settlement agreement may be converted to an arbitration award or judgment (or both) and enforced according to the governing rules of civil procedure. The Members further confirm their motivating purpose in selecting mediation is to find a solution that serves their respective and mutual interests, including their continuing relationship under this Agreement.

#### c) Costs.

The Members agree to share the mediator's fees equally. If the Dispute is arbitrated, the arbitrator may include in any award the right to recover mediator and arbitrator fees, along with any other recoverable costs.

#### d) Attorney's Fees.

When appropriate, the arbitrator may award attorney's fees incurred in the arbitration, if any, to the prevailing party.

#### e) Notice of Dispute:

Notice of any dispute or controversy shall be effective pursuant to the Notice provision herein and shall provide sufficient details of the dispute or controversy to inform the other party of the basis of the claim.

**Draft**  
**Group Net Metering Agreement Template**

**5) General Provisions**

**a) Entire Agreement; Modification.**

This Agreement sets forth the entire agreement and understanding between the members as to the subject matter hereof and supersedes all prior or contemporaneous agreements or understanding as between the members relating to this subject matter. There shall be no amendments or modifications to this Agreement, except by a written document, which is signed by all members.

**b) Governing Law; Jurisdiction.**

This Agreement shall be governed by and construed under the laws of the State of Vermont without regard to conflicts of laws principles. Any and all actions or proceedings seeking to enforce any provision of, or based on any right arising out of this letter of intent shall be settled by the dispute resolution procedures herein.

**c) Headings.**

The headings for each article and section in this Agreement have been inserted for convenience of reference only and are not intended to limit or expand on the meaning of the language contained in the particular article or section.

**d) Severability.**

Should any one or more of the provisions of this Agreement be held invalid or unenforceable by a court of competent jurisdiction, it shall be considered severed from this Agreement and shall not serve to invalidate the remaining provisions herein. If the provision is material, the members shall make a good faith effort to replace the invalid or unenforceable provision with a valid and enforceable one such that the objectives contemplated by them when entering this Agreement may be realized. If the members fail to reach a modified agreement within forty-five (45) days after the relevant provision is held invalid or unenforceable, then the dispute shall be resolved in accordance with the procedures set forth herein. While the dispute is pending resolution, this Agreement shall be construed as if the provision were deleted by agreement of the members.

**e) No Waiver.**

Any delay in enforcing a party's rights under this Agreement or any waiver as to a particular default or other matter shall not constitute a waiver of such party's rights to the future enforcement of its rights under this Agreement, except only as to an express written and signed waiver signed by the party against whom such waiver is being enforced as to a particular matter.

**f) Notices.**

Any notices required by this Agreement shall be in writing, shall specifically refer to this Agreement and shall be sent by registered or certified mail, postage prepaid, or by email if the party provides a valid address, or by overnight courier, postage prepaid, and shall be forwarded to the respective addresses set forth herein unless subsequently changed through notice to the other members. Notice shall be deemed delivered upon the earlier of (a) when received, (b) three (3) days after deposit into the mail, (c) one (1) calendar day after notice is sent via email, or (d) the day immediately following delivery to overnight courier (except Sunday and holidays).

**Draft**  
**Group Net Metering Agreement Template**

**g) Counterparts.**

This Agreement may be executed in counterparts, each of which shall be deemed to be an original and together shall be deemed to be one and the same agreement.

**h) Term of the agreement**

The Agreement will terminate on July 1<sup>st</sup>, 2013. At that time, the terms of the Agreement may be renegotiated between the Owner and the Members.

**Draft**  
**Group Net Metering Agreement Template**

**IN WITNESS WHEREOF**, the members hereto have each caused this Agreement to be executed as of the Effective Date, when signed by the members below.

\_\_\_\_\_  
Owner  
AAAAA

\_\_\_\_\_  
BBBBBBB

\_\_\_\_\_  
CCCCC

\_\_\_\_\_  
DDDDD